

1997 ECONOMIC CENSUS
Wholesale Trade Sector

INSTRUCTIONS

The 1997 Economic Census covering the Wholesale Trade Sector includes establishments primarily engaged in the selling or arranging the purchase or sale of durable nonconsumer goods and selling goods for resale.

Wholesale establishments also include those that are primarily engaged in selling or arranging the purchase or sale of goods with most or all of the following characteristics:

- Wholesalers normally operate from a warehouse or office. These warehouses and offices are characterized by having little or no display merchandise. In addition, neither the design nor the location of the premises is intended to solicit walk-in traffic.
- Wholesalers do not normally use advertising directed to the general public. Customers are generally reached initially via telephone, in-person marketing, or by specialized advertising.

If you are **NOT** engaged in this kind of business, **DESCRIBE** your business or activity **IN ITEM 11 AND COMPLETE** the report as accurately as possible.

CONFIDENTIALITY

Your response to items on this form is **STRICTLY CONFIDENTIAL**. Your firm's report will be used solely for developing summary statistics. **IT CANNOT BE USED FOR PURPOSES OF TAXATION, INVESTIGATION, OR REGULATION.**

DEFINITION OF ESTABLISHMENT

An establishment is a single physical location at which business is conducted. This includes all selling and service locations and any other facilities such as warehouses, administrative offices, etc., in operation at any time during 1997. Locations with no paid employees (such as unmanned warehouses) are not considered separate establishments. You should report separate data for each establishment you own or operate.

DEFINITION OF COMPANY OR FIRM

A company or firm is a business organization or entity consisting of one domestic establishment (location) or more under common ownership or control. All establishments of subsidiary firms are included as part of the owning or controlling firm. For the economic censuses, the terms "firm" and "company" are synonymous.

FIRMS WITH MORE THAN ONE ESTABLISHMENT

If this firm operated more than one establishment (location) under the same employer identification number (EIN) at the end of 1997:

- Item 2 — Enter the location of your headquarters.
- Items 3 through 13 — Report the combined data for the entire firm.
- Item 15c — Provide information separately for each establishment, including headquarters. List the location of your headquarters first.

GENERAL INSTRUCTIONS

- This report should cover calendar year 1997. If book figures are not available, **estimates** are acceptable.
- If the establishment stopped operating before January 1, 1997, indicate action and date in item 3b and return the form.
- If the establishment stopped operating during 1997, i.e., it was closed, sold, or leased to another company, complete the report for the portion of 1997 that the establishment was operating.
- Sales and payroll data should be rounded to the nearest thousand dollars as illustrated on the form.
- If any communication regarding this report is necessary, be sure it references the 11-digit Census File Number (CFN) printed in the address label.
- Respondents are not required to respond to any information collection unless it displays a valid approval number from the Office of Management and Budget (OMB). The OMB 8-digit number appears in the upper right corner of this questionnaire.
- If additional space is necessary to complete any item, use the remarks section at the end of the form (if applicable) or attach a separate sheet. If extra sheets are added, write the CFN and the item number at the top of each additional page.

- Please make a photocopy of your completed form and retain that copy in your files.
- We estimate that it will take from 30 minutes to 2 hours and 45 minutes to complete this questionnaire, with 1 hour and 20 minutes being the average time. This includes time to read instructions, assemble and review information, and record answers on the questionnaire. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Associate Director for Administration/Comptroller, Attn: Paperwork Reduction Project 0607-0825, Room 3104, FB-3, Bureau of the Census, Washington, DC 20233.

INSTRUCTIONS FOR SELECTED ITEMS

Item 2. PHYSICAL LOCATION

- Answer all sections (a through d) of item 2, including name of county, even if the address on the label is correct.
- Report the location of your headquarters if this firm operated more than one establishment. List the physical location of all other establishments in item 14c.

Item 3. OPERATIONAL STATUS

- b. Mark the one box that best describes the operational status of this establishment at the **end of 1997**.
- In operation — The establishment was open and actively conducting business on December 31, 1997.
 - Temporarily or seasonally inactive — Although not conducting business at the end of 1997, the establishment will eventually reopen and conduct business under the same EIN. (Examples: Businesses selling seasonal merchandise that close during the "off-season," when business is slow; establishments that temporarily close for remodeling.)
 - Ceased operation — The establishment has gone out of business, is closed and does not plan to reopen. Provide the **month and year** that the establishment ceased operation. Complete items 4 through 13 for the portion of 1997 during which the establishment was in operation.
 - Sold or leased to another operator — Your firm sold or leased this establishment to another firm. Provide the **month and year** in which the change occurred and indicate the name and address of the new owner or operator. Complete items 4 through 13 for the portion of 1997 during which your company operated the establishment.

Item 4. DOLLAR VOLUME OF BUSINESS

- a. Report total sales of merchandise and other operating receipts in thousands of dollars for the calendar year 1997.

Include:

- Cash and credit sales of merchandise, whether or not payment was received in 1997.
- Receipts for delivery, installation, maintenance, repair, construction, storage, and other services.
- The gross selling value of goods that this establishment sold or purchased on a commission, brokerage, consignment, or agency basis for others.
- The actual value of trade-ins taken as partial payment for other merchandise.
- Sales to foreign subsidiaries and affiliates and to your Foreign Sales Corporations (FSC's).
- Receipts from the rental and leasing of merchandise.
- Excise taxes (such as those on gasoline, liquor, and tobacco) which are paid by the manufacturer and included in the cost of goods purchased.
- Liquor and tobacco tax stamps, taxes, and licenses sold.
- Fees received for the arrangement of the foreign sale of goods which never entered the United States or Foreign Trade Zones.

FOR PETROLEUM BULK STATIONS AND TERMINALS

In addition to all previous inclusions:

- *The value of transfers to your own retail services stations.*

Exclude:

- Sales and excise taxes collected directly from customers and paid directly to a State, local or Federal tax agency.
 - Receipts from carrying and other credit charges.
 - Nonoperating income from sources such as investments, rental or sale of real estate, and interest.
 - Commissions received for selling and buying goods (unless the goods never entered the United States).
 - Foreign sale of goods which never entered the United States or Foreign Trade Zones in the United States.
 - Refunds or allowances for returned merchandise.
 - Petroleum bulk stations and terminals should exclude sales of petroleum products to another bulk facility.
- b. Answer “Yes” if this establishment earned a commission or brokerage fee for transactions negotiated for others.
- c. Report the market value of products bought or sold by others on which you earned a commission, brokerage, or fee.
- If actual sales are unavailable from firm records, estimate the value by dividing actual commissions received by the average percentage charged for sales activity.
- For example, if commissions received totaled \$200,000 and you estimate your average commission is 5 percent, then the gross selling value is \$4,000,000 (\$200,000/.05).
- d. Report the amount of commissions, brokerage, or agency fees received for transactions reported in Item 4c.
- Note: Items e and f only apply to multiestablishment firms.
- e. Products produced inquiry — All forms except WH-5170.
- Report the percentage of total sales (as reported in item 4a) accounted for by products which were mined or manufactured in the United States, its possessions, Puerto Rico, or Foreign Trade Zones located in the United States by your firm (including parent, subsidiaries, corporate affiliates, etc.).
- f. Report the fair sales value of goods transferred to establishments owned by this firm.

Item 5. PAYROLL

Definitions are the same as those used on the Employer's Quarterly Federal Tax Return, Form 941, and as described in Circular E, Employer's Tax Guide.

- a. Payroll, before deductions

Include:

- Wages, salaries, tips, paid absences (including sick days, vacations, and holidays), bonuses, commissions, and other compensation paid to employees during 1997, whether or not subject to income or Federal Insurance Contributions Act (FICA) tax.
- Salaries, bonuses, commissions, and other compensation paid to officers and executives of a corporation.

Exclude:

- Payments to or withdrawals by proprietors or partners of an unincorporated firm.
- Annuities or supplemental unemployment compensation benefits, even if income tax was withheld.

Item 6. EMPLOYMENT

- a. Paid employees

Include:

- All full and part-time employees on the payroll during the pay period including March 12, 1997.
- Salaried officers and executives of a corporation.
- Employees on paid sick leave, paid vacations, and paid holidays.

Exclude:

- Proprietors or partners of an unincorporated company.
- b. Paid employees by principal activity — Indicate the number of the above employees by the employee's primary function.
- (1) Selling — Include employees engaged in sales activities, traveling salespeople, truck salespeople, and selling employees working out of their own homes.
- (2) Sales support — Include employees:
- Engaged in sales support activities (such as office and clerical, warehouse, customer service, maintenance employees, and delivery).
 - Engaged in sorting, grading, or packaging activities in conjunction with sales operations.
 - Who provide services to this establishment (such as janitorial or repair).
- (3) Supporting functions of other establishments in your company (i.e., headquarters employees, regional or district managers who control more than just this establishment, corporate accountants, researchers, and central warehouse employees).
- (4) Manufacturing — Report the number of employees engaged in manufacturing activities. Report employees engaged in sorting, packaging, and grading on line b(2).
- (5) Other — specify — Report the number of employees not elsewhere classified (including employees engaged in mining, agricultural, construction, etc., activities).

Item 7. OPERATING EXPENSES

Report total operating expenses for 1997.

Include:

- Total annual payroll reported in item 5a(1).
- Fringe benefits and supplements to wages and salaries.
- Liquor and tobacco tax stamps, taxes, and license fees.
- Depreciation and amortization charges in 1997 including depreciation charges on equipment obtained through a capital or full payout lease or on equipment rented to others through an operating lease.
- Lease and rental payments made in 1997 for equipment leased under an operating lease.
- Advertising services and expenses.
- Commissions paid to others.
- Office supplies, postage, and shipping and packaging materials and expenses.
- Cost of legal services, data processing, and other contract work performed by others.
- Telephone and other purchased communications services.
- Other expenses (i.e., insurance, storage, repairs, bad debt, theft and damage losses).

Exclude:

- Purchases of goods for resale.
- Income taxes.
- Sales and other taxes collected directly from customers and paid directly to a local, State, or Federal tax agency.
- Interest expenses.
- Payments to or withdrawals by proprietors and partners of an unincorporated firm.
- Lease payments for merchandise obtained through capital, finance or full payout leases.

Leased Equipment — Form WH-5045 only — Only applicable to sales branches and offices of computer manufacturers.

- 1. Include computer products manufactured by subsidiaries and affiliates.
- 2. Include the value of new computer equipment acquired that was manufactured by your firm.
- 3. Exclude the value of equipment leased out in 1997 under a capital, finance, or full payout lease.

Item 8. INVENTORIES

Report the total value of merchandise inventories this establishment owned on December 31, 1997 and on December 31, 1996. Inventories must be located in the United States and its possessions, including Foreign Trade Zones in the United States, even if portions of these inventories were held at other locations. Exclude the value of inventories held at this establishment but owned by others.

- a. If you had inventories on the last day of either 1996 or 1997, then answer "Yes" to this question. If you do not have inventories or had inventories during 1997 but not on the above days, answer "No."
- b. If you had inventories at the end of either 1996 or 1997 and any portion of those inventories is valued using the last-in, first-out (LIFO) method, answer "Yes."
- c. Report the market value of inventories using generally accepted accounting principles. If any inventories are subject to the LIFO valuation method also include the LIFO reserve on this line.
 - (1) Report the amount of inventories not subject to LIFO costing.
 - (2) Report the amount of inventories subject to LIFO costing (gross).
 - (a) Report the LIFO reserve or allowance applicable to the amount on line c(2).
 - (b) Report the LIFO cost of inventories reported on line c(2) (net).

Item 9. TOTAL PURCHASES OF MERCHANDISE IN 1997

Report the total cost of all merchandise purchased for resale (Net of returns, allowances, and trade and cash discounts; but including amounts allowed for trade-ins) for which you took title to in 1997 whether or not payment was made in 1997. If possible, exclude purchases of containers, wrappings, packaging and selling supplies.

Include:

- Merchandise for which you took title in 1997, whether or not payment was made in 1997.
- Raw and finished goods.
- Cash and credit purchases.
- Merchandise in transit to you or to a customer for which you have taken title.
- Amounts allowed for trade-ins.
- Freight, delivery, and other transportation costs.
- Import duties (if paid separately).
- The cost of purchased services that were resold.
- Merchandise sold by this establishment from the inventory of other establishments of your firm .
- Parts and supplies used in repair work or other service type activities.

Exclude:

- Expenditures for supplies, equipment, and parts purchased for your company's own use.
- Purchases of liquor and tobacco tax stamps.
- Merchandise that you never took title to.
- Sales and other taxes collected directly from customers and paid directly to a local, State, or Federal agency.

Item 10. SALES BY CLASS OF CUSTOMER

Report percentage of sales and receipts as reported in (4a) to each customer class.

- a. Export Sales —

Include sales to buyers in foreign countries or to Foreign Sales Corporations (FSC's).

Exclude sales to establishments in United States possessions that are not FSC's.
- b. Restaurants, hotels, food services, and contract feeding —

Include sales to caterers, contract feeders, and ALL eating and drinking establishments.
- c. Retailers and repair shops for resale or repair —

Include sales to all types of retailers (i.e., retail chain organizations, independent stores or department stores) that normally buy for resale to household consumers and all types of repair facilities.
- d. Other wholesale establishments for resale —

In addition to sales to merchant wholesalers, be sure to include sales that were made through agents, brokers, and commission merchants.
- e. Industrial users for production (manufacturing and mining) —

Include sales to mines and manufacturers located in the United States or Puerto Rico.
- f. Business users for consumption, not for resale —

Include sales to laboratories, institutions, public utilities, service businesses, and other such users that are buying for business use rather than for resale.
- g. To farmers (for farm use) —

Include only sales of products for use in agricultural production.
- h. To household consumers and individual users —

Include sales to:
 - Those buying for personal consumption.
 - Employees buying for personal consumption.
- i. Builders and contractors —

Include only sales for construction purposes.
- j. Government bodies (Federal, State, and local) —

Include sales to the Federal Government (including military, post exchanges, GSA, the Postal Service, TVA, and other agencies), State and local governments.

Item 11. KIND OF BUSINESS AND SELLING CHARACTERISTICS

- a. Mark (X) only ONE principal activity for this establishment. If none apply then mark "other kind-of-business" and describe your business in the space provided.

Purchases from farmers — Forms WH-5141, 5143, 5144, 5148, 5150, 5191 only.

Include purchases directly from farmers, but do not include purchases from farmer cooperatives.
- b. Selling Characteristics

Mark (X) only ONE box for each question. If none apply then mark "other" and answer each question in the space provided.
 - 1. In what format did this establishment primarily sell in 1997?
 - 2. How did this establishment primarily attract new customers in 1997?

PLEASE CONTINUE ON REVERSE

Item 12. TYPE OF OPERATION

Mark (X) only one principal type of operation for this establishment.

- a. Own-brand importer/marketer — A company or establishment that deals primarily or exclusively in the parent company's own branded products manufactured outside the United States. The products are either imported into the United States and then sold or they are sold and then drop-shipped directly from a foreign location to the United States customer.

Note: When the products are drop-shipped from a foreign location, the customer will have already taken title to the goods before they enter the United States.

- b. Merchant wholesaler — A company or establishment engaged in buying merchandise on its own account produced by other firms and selling them using the wholesale method.

- Wholesale jobber or distributor — Buying merchandise from unrelated domestic manufacturers and selling the goods to customers in the United States.
- Importer — Purchasing and selling foreign made merchandise that does not bear the importer's own brand name for delivery in the United States.
- Exporter — Purchasing goods in the United States from unrelated firms and selling them for delivery outside the United States (excluding grain elevators).
- Farm-products assemblers — Forms WH-5143, 5144, 5148, 5150, and 5191 only — A firm or establishment, except a grain elevator, purchasing farm products directly from farmers.
- Country grain elevator — Form WH-5150 and 5191 only - Grain elevator receiving grain directly from farmers.
- Terminal grain elevator — Form WH-5150 and 5191 only - Grain elevator receiving grain from sources other than directly from farmers.

- c. Manufacturers' sales branches and offices — Establishments owned by firms or corporately affiliated with a manufacturer primarily engaged in selling goods mined or manufactured by the parent in the United States, Foreign Trade Zones located in the United States, its possessions, or Puerto Rico.

- d. Agent, broker, and commission merchant — A company or establishment primarily engaged in buying and selling merchandise on a commission, brokerage, or agency basis for others, rather than dealing primarily on its own account.

- Auction company — Selling merchandise for the account of others at wholesale from a permanent location by the auction method.
- Broker — Buying and selling merchandise on a brokerage basis for others in the United States market, but not receiving goods on consignment.
- Commission merchant — Receiving goods on consignment and selling them on a commission basis in the United States market.
- Import agent — Representing, on an agency basis, domestic firms selling foreign merchandise for delivery inside the United States or its possessions and collecting a commission for the sale of goods.
- Export agent — Representing on an agency basis, domestic firms selling United States merchandise for delivery outside the United States or its possessions and collecting a commission for the sale of goods.
- Manufacturers' agent — Selling merchandise on a commission basis for a limited number of manufacturers on a continuing agency basis.

- e. Other broker or agent (i.e., real estate, mortgage or loan). Please specify type in space provided.

ITEM 13 SALES BY COMMODITY LINE [AND STORAGE CAPACITY (WH-5170) ONLY]

- Report the volume of sales or value of receipts for each line of commodities sold or services performed which account for at least 1 percent of this establishment's total receipts.
- If any commodities sold or services performed are not listed but account for 1 percent or more of total receipts, write in the description and value or percentage of total receipts in the space provided.
- Report either in dollar figures (see "HOW TO REPORT DOLLAR FIGURES" on the front of the form) or as a whole percent of the total (see "HOW TO REPORT PERCENTS" preceding this item).

- Receipts for construction, delivery, installation, and service contracts should be reported on the appropriate nonmerchandise

line at the end of the listing. DO NOT INCLUDE such receipts with the commodity sales.

- Parts installed in repair work should be reported on the line: "Service receipts and labor charges." If detail lines: "labor charges for repair work" and "parts installed in repair work" are provided, report them separately. If your books do not provide this detail, please estimate.

Form WH-5170 Only

Storage capacity — Report the total shell or water capacity of this establishment's operable storage facilities.

Include:

- Relay or lock-up points with bulk plants of which they are part.
- Tanks operated by this firm, but located elsewhere unless they are reported on another establishment's report.
- Caves or mines used to store petroleum products.
- Tanks or capacity located at this facility that you rent or lease.

Exclude:

- Tanks located at your gasoline service station and home heating oil dealers.
- Capacity of pipelines, tank trucks, tankers, barges, and railroad cars.
- Capacity of tanks that are no longer usable.
- Capacity at establishments operated by you that you are renting or leasing to store your products.

Item 15 OWNERSHIP, CONTROL, AND LOCATIONS OF OPERATION

- a. **MARK "YES" if — ANOTHER firm OWNS** more than 50 percent of the voting stock **or** has the power to **CONTROL** the management and policies of your firm. Report the owning or controlling company in the space provided.

MARK "NO " if —

- Your firm has a franchise entitling it to use a trade name, but is not owned or operated by the franchisor.
 - Your firm has one or more leased departments in an establishment owned by firm company, but the other company (the 'lessor') does not own or control the department(s).
- b. Indicate whether your firm owns more than 50 percent of the voting stock or has the authority to direct or cause the direction of management and policies of any subsidiaries and/or affiliates. If yes, report the requested information for the owned or controlled firm in the space provided.
- c. Report the number of establishments operating under the Employer Identification Number (EIN) shown in the address label (or as corrected in item 1) at the end of 1997. Include all selling and service locations and any other facilities such as warehouses, or administrative offices, in operation at the end of 1997. Establishments with no paid employees (such as unmanned warehouses) are not considered separate establishments.

If MORE THAN ONE establishment was operated under the Employer Identification Number (EIN):

- List the location of the headquarters first.
- Provide the name, physical location, address, ZIP Code, kind-of-business description, sales, annual payroll and employment for headquarters and each location. Continue on a separate sheet if necessary.
- The sum of sales for all locations should equal the amount reported in Item 4, "Dollar Volume of Business."
- The sum of payroll for all locations should equal the amount reported in Item 5, "Payroll."
- If employees worked at more than one location, report payroll and employment for employees at the ONE location where they spent most of their working time.
- The sum of employment for all locations should equal the amount reported in Item 6, "Employment."